

**GATEKEEPER SERIES No. 79**

**The rocky road towards  
sustainable livelihoods:  
Land reform in Free State,  
South Africa**

---

**JAMES CARNEGIE  
MATHILDA ROOS  
MNCEDISI MADOLO  
CHALLA MOAHLOLI J  
OANNE ABBOT**



**International  
Institute for  
Environment and  
Development**

Sustainable Agriculture  
and Rural Livelihoods  
Programme

*This Gatekeeper Series is produced by the International Institute for Environment and Development to highlight key topics in the field of sustainable agriculture. Each paper reviews a selected issue of contemporary importance and draws preliminary conclusions of relevance to development activities. References are provided to important sources and background material.*

*The Swedish International Development Authority (SIDA) funds the series, which is aimed especially at the field staff, researchers and decision makers of such agencies.*

At the time of the study, James Carnegie and Mathilda Roos worked for the Rural Strategy Unit, South Africa. James Carnegie is involved in transformation and organisational change for agrarian and rural development with specific interests in policy development and implementation for people-centred support services.

Mathilda Roos is now working to develop sustainable communities through environmental management, common property regimes and land reform issues; entrepreneurship development and integrated development planning.

Mncedisi Madolo is an agricultural economist with the Free State Department of Agriculture. His interests lie in development economics with an emphasis on agricultural development projects and participatory monitoring and evaluation towards sustainable rural livelihoods.

Challa Moahloli is presently heading the transformation of the Free State Agricultural College. He has research interests in the creation of sustainable rural livelihoods through the communication of appropriate agricultural practices among agricultural small-holders.

Joanne Abbot is a Research Associate at the Sustainable Agriculture and Rural Livelihoods Programme, IIED. She works on participatory approaches to natural resource management in Africa, particularly with regard to impact assessment.

The authors can be contacted through James Carnegie at: Managing Rural Change (MRC), 17 James Scott Drive, Brandwag, 9301, Bloemfontein, South Africa. Tel: (+27) 083 5555 053, Fax: (+27) 051 430 8322, E-mail: james.c@mweb.co.za or through Joanne Abbot at IIED, 3 Endsleigh Street, London WC1H 0DD. Tel: (+44) 0171 388 2117; Fax: (+44) 0171 388 2826. E-mail: jo.abbot@iied.org

## EXECUTIVE SUMMARY

Following its election in 1994, South Africa's first democratic government has pursued dramatic policy changes through its Reconstruction and Development Programme (RDP). Central to this programme is the process of land reform and a reorientation in the focus and objectives of the agricultural sector. However, whilst these new policies place strong emphasis on people's empowerment, sustainable livelihoods and equitable rural development, this paper demonstrates how difficult this has proved to implement.

Taking the case of one of the earliest examples of land reform in the Free State, the Kutlwanong Farmers Trust (KFT), the authors analyse the ingredients necessary for sustainable agriculturally-based rural livelihoods (SARLs), and assess the degree to which the KFT has succeeded towards this goal. Case studies of attempts at arable farming and poultry production by KFT member groups highlight the difficulties encountered. They reveal that by itself, land acquisition does not constitute a livelihood. This highlights the crucial role to be played by the support services in promoting and supporting equitable and robust user-groups and in re-training deskilled farmers in appropriate farming techniques. However, the support services themselves need to move away from a purely technical approach to farming and increase their understanding and promotion of social development issues.

The paper concludes by analysing what has gone wrong with policies which looked so good on paper. Factors considered include:

- the political pressure for rapid results, not allowing enough time for institutional transformation
- the strong disciplinary approach of, and poor co-ordination between, government departments
- the perception by many in government of agriculture still as a large-scale, high-tech activity, rather than a means for rural development; and
- the poor commitment by the private sector to the aims of the land redistribution and the new role for agriculture.

The authors assert that for land reform and agrarian change to achieve their stated objectives, the drivers of the process (notably the policy makers and their implementing organisations) need to become more aware of the elements contributing to SARLs. Support is needed to create communities which are able to adapt and adjust to the continuous changes and dynamic nature of both their internal and external environments. This paper has provided a model which can be followed, and should be a starting point for debate amongst the numerous stakeholders in making a success of land reform in promoting a brighter future for all in rural South Africa.

James Carnegie, Mathilda Roos, Mncedisi Madolo, Challa Moahloli and Joanne Abbot

## Introduction

The political changes in South Africa since 1990, referred to by Human (1998) as a 'negotiated revolution', culminated in the election of the first democratic government in 1994. This introduced a process of dramatic policy change and continued policy development. The policy changes have been driven by the new government through its Reconstruction and Development Programme (RDP). The RDP is a long term, people-centred programme designed to redress the imbalances created by apartheid, with the intended result of empowered, self-reliant people and communities able to take charge of their own lives and development (ANC, 1994). Central to the RDP is the process of land reform and a reorientation in the focus and objectives of the agricultural sector. This paper examines the policy and organisational changes undertaken to achieve this reform, and taking a case study from Free State, assesses the success of the reforms in bringing about sustainable livelihoods.

## The legacy of apartheid

The agriculture sector was central to the apartheid ideology of inequalities, and as a result is now being targeted in addressing the apartheid legacy (Hanekom, 1998). Most people in South Africa understand agriculture to mean production on some 55,000 white-owned and operated large farms. This sector accounts for 90% of value added and occupies about 88% of the agricultural land. Despite the benefits and subsidies enjoyed by these white farm families, agriculture has done little to benefit the lives of rural dwellers (Box 1). Poverty affects millions of people in South Africa, the majority of whom live in the rural areas and are women. It is estimated that there are at least 17 million people below the Minimum Living Level, and of these at least 11 million live in rural areas (Zuma, 1998). Thus one of the first aims of the new government has been to reform the agricultural sector so that it can better contribute to rural development.

### **Box 1. Agriculture under apartheid**

The Native Land Act of 1913 segregated Africans and Europeans by designating about 8% of the country's farm land as reserves – the only areas that could legally be farmed by Africans. The aim was to create surplus labour for the mines and the white agricultural sector. At about this time, white farmers also started to receive substantial support in the form of subsidies, grants and other aid for fencing, dams, houses, veterinary and horticultural advice, as well as subsidised rail rates, special credit facilities and tax relief. Over 80 Acts of Parliament were passed rendering assistance to the commercial farming sector, infrastructure was built, strong support services were established and assistance was provided through the Land Bank for the acquisition of land for farming by whites. The white commercial sector responded positively, with substantial output increases. Farmers were protected from foreign competition, subsidies continued, and producer prices, which were largely controlled, were frequently above world market levels. This continued till the 1980s when the constraints of international financial sanctions and disinvestment made it impossible. Although these policies encouraged technical advance and increased production, they also had high social, economic and environmental costs.

At the same time 72% of the rural population was being consolidated in 'tribal reserves', later to become the self-governing territories and independent countries (recognised only by South Africa), from the mid-1970s. These homelands had only 12% of South Africa's agricultural land and lacked the benefits of the white farming areas. In fact, policies actively discouraged agriculture as a means of sustaining livelihoods. Today the former homelands remain crowded and lack infrastructure. Blacks have been systematically disempowered and de-skilled of agricultural know-how, with mainly the older folk engaging in mainly subsistence agricultural activities such as the keeping of a few livestock and the growing of maize and vegetables.

Source: *Green Paper on Agriculture. Forthcoming, 1998. Office of the Minister of Agriculture and Land Affairs, Pretoria: South Africa (unpublished).*

## **Land redistribution: the theory and the reality**

The RDP places land reform at the centre of rural development, aiming to redistribute 30% of agricultural land from whites to blacks within five years, as well as returning land that was forcibly appropriated after 1913 (ANC, 1994). The policy is to support new small and medium scale farmers through the process of land reform, and to target government resources to the resource poor. To this end, the Department of Land Affairs offers a Land Acquisition Grant of up to R15,000<sup>1</sup> per beneficiary household towards the purchase of farmland.

The new definitions of both a farmer and agriculture in South Africa (Box 2) have shifted

---

1. UK£1:ZAR 10

the focus of the national and provincial Departments of Agriculture (Free State DoA Business Plan, 1996). In the Free State province<sup>2</sup>, specialised extension services are being transformed into multi-disciplinary teams with a variety of skills, both social and technical. Researchers now deliver services through Farming Systems Research and Extension and a community-based project management approach was introduced to enable clients to have greater control of their own development.

### **Box 2. The policy vision of agriculture**

An analysis of the White Paper on Agriculture (1995) reveals the key aims of land and agrarian reform, and the new role for farmers and farming:

- a highly efficient and economically viable market-directed farming sector, characterised by a range of farm sizes, which will be regarded as the economic and social pivot of rural South Africa and which will influence the rest of the economy and society.
- a farmer, irrespective of his/her race, gender or scale of production, is a land user who engages productively in agriculture, whether on a full-time basis and regardless of whether his/her principal source of income is agriculture.
- agriculture is described as involving 'the sustainable and productive utilisation of natural resources and other inputs by people for plants and/or animal production purposes, either for consumption or for marketing'
- sustainable agriculture refers to farming systems which are productive, economically viable and environmentally sound over time.
- key words relating to services: 'holistic support services, farm systems, equitable access to resources and services, farmers' local knowledge, new methods, resource poor especially women, household food security, livelihoods'.

However, whilst the policies imply a strong people focus, with an emphasis on people's empowerment, this paper demonstrates how difficult this is to implement. There is an urgent, political imperative to 'deliver' land to previously disadvantaged groups. But the question remains as to whether settlement and land acquisition grants and support processes from the Departments of Land Affairs and Agriculture transfer real assets and sources of income into people's hands and therefore create sustainable livelihoods (RSU Annual Report, 1997), or whether they trap resource-poor people into a downward spiral of poverty and environmental degradation. The study has tried to address this question by developing a model of the elements of sustainability and evaluating the livelihoods created by one of the earliest examples of land reform in the Free State.

---

2. There are nine provincial departments of agriculture each headed by a provincial 'minister' (MEC) and a central national department. The provinces have pursued different strategies and created different structures in their change processes, some more rapid and progressive than others. The Department of Land Affairs on the other hand is a national department (separate from the national department of agriculture but sharing the same minister), with provincial offices reporting to national bureaucrats and not to the provincial MEC

# The Kutlwanong Farmers Trust

The Kutlwanong Farmers Trust (KFT) in the northern region of the Free State province is an early example of the implementation of the land redistribution policy. This was the second land reform project in the Free State and is therefore of high political priority to 'succeed'.

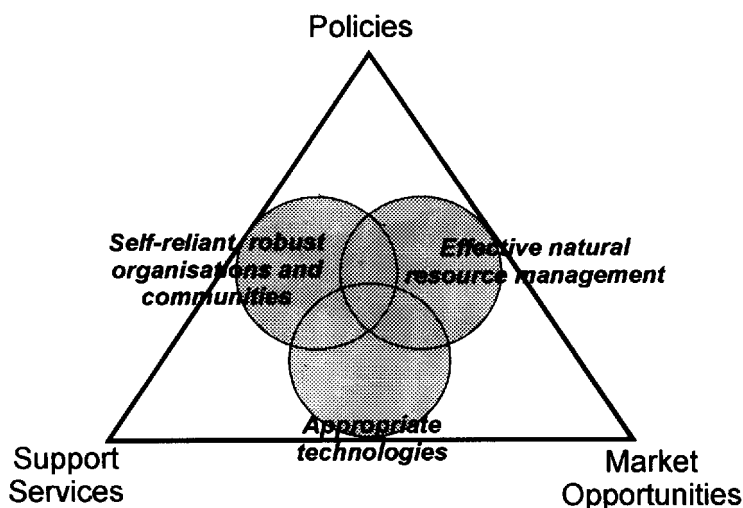
A farm of 3930 ha was transferred from a white commercial farmer to 200 participating member families in November 1996.<sup>3</sup> It is legally held in trust by the KFT on behalf of the families. At the handing-over ceremony the Minister of Agriculture and Land Affairs, the Free State MEC and senior government officials (from both departments) were present, emphasising the high profile of the event.

Action research with the KFT provided an opportunity to explore how the land reform process affects the sustainability of agriculture and the livelihoods it supports<sup>4</sup>.

## Elements of sustainable agriculture-based rural livelihoods

To assess the degree to which land redistribution has contributed to sustainable agriculture-based rural livelihoods (SARLs), it is first necessary to identify the key elements of 'success' (Figure 1). Each of these elements are briefly summarised below:

**Figure 1: The relationship between the elements of sustainable agriculture-based rural livelihoods**



3. It was bought from a prominent Free State farmer who owned a number of other farms. As this farm borders the poor township of Kutlwanong, the high levels of theft and vandalism made it very difficult for the owner to farm it at a profit, and he was happy to sell.

4. The KFT case study forms part of the collaborative research project between IIED and 10 participating countries entitled Policies That Work for Sustainable Agriculture and Regenerated Rural Economies

- **Self-reliant, robust rural organisations/communities.** Box 3 lists the attributes usually associated with sustainable and self-reliant communities and/or organisations. However, not all these attributes will be present at once in any one organisation, and the inherent stability of the organisation depends more on its continued ability or willingness to adapt to opportunities or to manage risks or uncertainties in a continuously changing environment, than on the listed attributes.
- **Effective natural resource management.** SARLs depend on an effectively managed natural resource base where the health and diversity of the available natural resources are maintained.
- **Regenerative/appropriate technologies.** Technologies should be appropriate both to the users and the situation if sustainability is to be enhanced. Appropriate technology is less about the type of technology used, than the support given to people to make their own technology choices and assisting them to develop or adapt the technologies that they use (Croxton, 1995). Users of technology are best placed to decide which technologies to adopt or adapt, and technical changes made by the users themselves are more likely to meet their needs.

### **Box 3. Ingredients of successful farmers' groups**

Note that not all successful groups exhibit all features (in fact some are mutually exclusive):

- Not set up under political patronage
- Member homogeneity
- Primary organisations with between 8 - 25 members
- A clear written constitution and set of membership rules
- Broad social objectives
- Purely financial objectives
- A clear member-driven agenda
- A high degree of self-financing
- An absence of subsidised interest rates
- Starting with a single activity
- Effective structures of accountability
- Financial transparency and record-keeping
- Strong individual leadership
- Participatory decision-making
- Heavy external training inputs in the early stages

Source: *NRI/Plunkett Foundation from Carney and Farrington (1996)*



There are also external elements influencing the sustainability of local rural livelihoods, as described below:

## **Policies**

SARLs operate within a wider policy environment. Policy is not only the product of government, but reflects the influence of a range of actors. Each actor has their own goals which are pursued in the policy-making process. Understanding these goals is essential in understanding what a particular policy aims to achieve and which actors or stakeholders do or do not benefit from a policy.

## **Support services**

A vast range of services are provided by the private, public and NGO sectors. All influence SARLs to a greater or lesser extent. In South Africa, government services have historically been isolated from, and not based on the needs of, their clients. However, a number of factors, including increasing democratisation, lack of financial resources, and some pressure from the global community and donors are forcing government services to rethink their roles. This has led to the privatisation of certain services, exploration of different approaches to service delivery and acknowledgement of the role of farmers and their organisations in service provision. Public sector service organisations are directly influenced by the policies of the day, while other organisations take advantage of the policy and/or market environment to achieve their goals and objectives.

In order to receive effective and appropriate services, farmers and farmers' organisations must have the ability to question the actions of the service providers. This is only possible where all participants are acknowledged to be involved in the production and perpetuation of knowledge and power relations. This discourse is the practice of power relations that shapes most social life (Coetzee and Graaff, 1996) and reveals the complex interlinkages among the participants in development.

## **Market opportunities**

Market opportunities determine the type of activities undertaken by the organisation in order to secure its financial and economic survival. However, there is no guarantee that an organisation will be maintained into the future if the market changes. The market influences the agenda of service providers, especially those in the private sector.

Even if all the above elements are incorporated effectively into livelihood systems, neither the organisation nor the resource management systems are inherently stable. The functioning of the organisation is dependent on its continued ability to adapt to opportunities and to manage risks (Hobley and Shah, 1996). Chambers (1995) defines sustainable livelihoods as a living which is adequate for the satisfaction of basic needs, and secure against anticipated shocks and stresses (both internal and external).

## **Approach and methodology**

We undertook a stakeholder analysis (Grimble et al, 1995) of those institutions and individuals who impact upon the KFT project, either currently or during its formation. A checklist was used to conduct semi-structured interviews with representatives from each of the stakeholder groups. This explored their understanding of sustainable agriculture and

rural livelihoods, and the services they provide in pursuit of these goals. It also examined the perspective of each stakeholder on the policy environment that appears to support or constrain the spread of sustainable agriculture. The following service providers were interviewed:

- The Free State Department of Agriculture (DoA) including the provincial MEC, Regional Director, the ward multi-disciplinary extension team, and the Farming Systems Research and Extension (FSR-E) team.
- A local commercial farmer who was providing a contractual farming service to the KFT.
- Senwes, the former commercial farmers' cooperative, now a company.
- The provincial Department of Land Affairs (DLA)
- Agri-Eco, a provincial parastatal involved in agro-related entrepreneurial development

The primary stakeholders in the KFT are the 200 member families themselves. At the time the members were divided into six enterprise groups of their own choice: beef cattle, dairy cattle, cash crops, vegetables, poultry and home crafts. Members can join more than one group provided the time spent with one group does not impinge on their contribution to another group. Each group was expected to administer its activities and profits were to be shared by members of that particular group.

Participatory Rural Appraisal (PRA) was used with the KFT farmers to explore their understanding of the sustainability of the enterprises in which they are engaged, and the farm as a whole. This included using tools such as seasonal calendars, matrices, maps and Venn diagrams, to understand how the KFT plans activities, develops contingency strategies and to explore the policy and non-policy constraints under which it operates. Members of each of the farm enterprise groups, as well as the KFT management committee, were interviewed. The study focused on the KFT as an organisation, the support and services provided to the KFT and the policy environment within which the KFT functions. The findings were analysed according to each of the six elements of sustainability in the SARL model (Figure 1).

Two farm activities were chosen to illustrate sustainability: cash cropping and poultry production. The activities highlight a number of issues in the struggle to promote sustainable agriculture-based rural livelihoods.

## Cash cropping

In the first year of ownership by KFT, the combination of political pressure for delivery, the need for the KFT to begin 'farming', and KFT's enthusiasm, led to a plan to grow 800ha of maize on the arable land. A committee was formed to oversee the process comprising the DoA (represented by the local extension team), Senwes and KFT:

- Senwes gave KFT production credit of about R1.2 million, and provided the inputs as well as project management for the process in association with a local farmer<sup>5</sup> who was given a contract for land preparation and planting services
- Agri-Eco guaranteed the loan (on behalf of the government)
- Standard Bank provided a short term loan for some necessary equipment
- The DoA helped facilitated the process and the local extension team was to support the KFT
- The KFT provided the land and labour.

The process took time to set up so the land preparation and planting was delayed. Long hours were spent getting the crop in, as the land had not been planted for some time and the soil type requires deep ploughing.

Fortunately the rains were also late and the harvest proved better than the district average, raising the credibility of KFT with the neighbouring white commercial farmers who were sceptical of the land reform process. Green maize was harvested and sold in the townships of Kutlwanong and Odendaalsrus through the cooperative, Senwes. The KFT made an overall profit from the crop, and were able to repay Senwes and the Standard bank.

However, the profits were shared among some of the cropping group members and the committee without declaring them to the rest of the members of the KFT, and without agreeing upon a way of distributing income among members. This has led to some resentment from KFT members not in the cash cropping group, and increased the mistrust and divisions within KFT.

Also, as the process was rushed, and the focus was on producing a crop, there was little learning by the KFT farmers, or by the local DoA extension team. Most of the 'farming' was done by Senwes, and the members of the Cropping Group were involved more as labourers. Although the KFT had been exposed to commercial agriculture, they were not involved enough in the process, and not given the appropriate training to be in a better position the following year to be more in control of the process.

Although the crop was found to be financially viable, no thought had been given to environmental sustainability.

For the 1997/8 season, the profit-driven private sector organisations, Senwes and Standard Bank, refused to play the hands-on role they had the previous season. Whilst the DoA were keen to see another crop planted, they lacked the skills and capacity to facilitate the process

---

<sup>5</sup> Mr Piet du Plooy lives and farms a neighbouring farm of some 600 ha. He is an experienced white commercial farmer and has assisted the KFT farmers from the beginning. Some of the white farmers from the community looked down on him for assisting KFT

#### **Box 4. On-farm, but not participatory**

The success of the maize crop enthused the KFT committee, who wanted to consider other crops. This was communicated to the local extension team and the regional director. It was too late to experiment with other crops; however, the DoA director of the region instructed the FSR-E unit at the head office to plant wheat trials. This they did although it was late, but the KFT was never involved or consulted in the process. KFT expressed concern that there were *“people doing things on the farm but we are not sure what. Bakkies (pick-ups) drive past us and the men wave at us. They are busy on the lands. We are sure they are doing something good, we’re just not sure what”*. The researchers were proud to be doing real ‘on-farm’ research, but were very concerned by the lateness of the planting. They acknowledged that the farmers were not yet involved, but felt it appropriate that if and when the crop germinates, extension should organise the farmers to come and observe the crop.

Planting became delayed as in the previous season, and with the threat of the anticipated drought associated with the El Niño phenomenon, Agri-Eco and the DoA decided not to guarantee the loan. Senwes was not prepared to continue without the guarantee and the exercise was discontinued, resulting in no crop being planted at all.

Therefore, whilst the first year crop was considered a ‘success’, it contributed little to the development of the KFT farm as a viable, long-term business and the ability of the KFT to manage their farm in a sustainable manner in the future. The local extension team does not have the capacity and skills to support such an operation. Appropriate land-based activities need to be considered through which the KFT can begin creating a sustainable farm enterprise with support from the DoA and other players. Instead, a typical dependency relationship has developed between the KFT cropping group and the service providers.

## **Poultry production**

The poultry group consists of 60 members of the KFT. After nearly 18 months of planning a high technology 2000-broiler business with the DoA, funds were still not available to begin an enterprise. Out of frustration, about half of the members decided to establish the enterprise on their own. Each member contributed R20 and available building materials. They built a traditional-style chicken house with soil, manure and grass walls and floor, and a corrugated iron roof. They purchased 200 day-old chicks from a local supplier. The chickens were household fowls and not the fast-growing broiler hybrids. They worked night and day shifts to look after the batch. The chickens were warmed by charcoal fires in perforated 20 litre steel drums. They were successfully raised and sold live in the township of Kutlwanong.

The group used their knowledge and experience to purchase the chicks, build the house and care for the chickens, and although no financial profit was made, numerous other benefits were realised. The initiative provided an excellent basis from which enthusiastic poultry members could build on their knowledge and skills and improve the sustainability of their enterprise.

However, the local extension team was critical and scathing of the venture and distanced themselves from it in case it was thought to be the result of their poor technical advice.

The DoA provided some extension support and training in broiler production, but planned a high technology venture without including the existing knowledge and experience of the members. The fund in the DoA for infrastructure for emerging farmers could not be accessed, and commercial financial institutions were not willing to provide credit because the market and credibility of the group was unknown.

The group was too large for meaningful decision-making and participation, however they exhibited their enthusiasm and initiative in establishing and managing the enterprise. Only half of the members participated. The technologies used were known to the farmers and have been used for many years in the traditional farming systems. Although not economically appropriate, the technology was understood by the group and was mostly from locally, freely available material.

## **Sustainability analysis**

We have analysed the experiences revealed in these two case studies, as well as the semi-structured interviews, to assess which ingredients of SARLs are present or not.

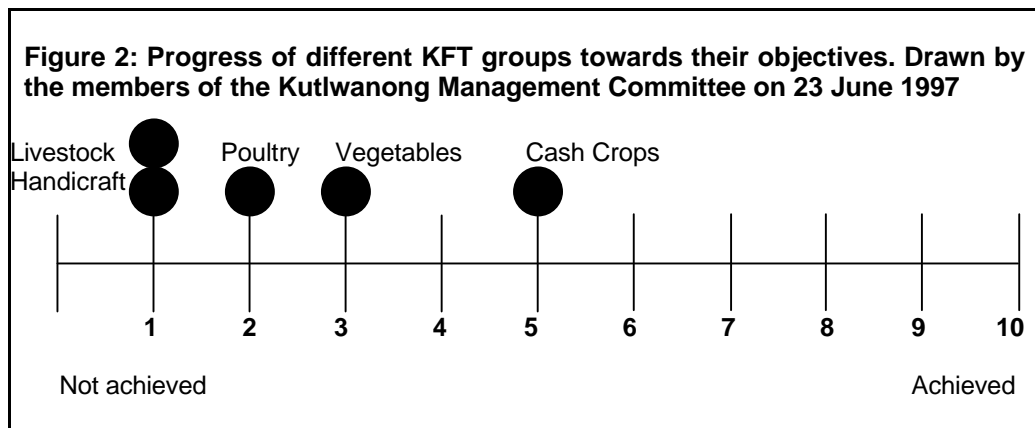
### **Kutlwanong Farmers Trust as an organisation**

Whilst the KFT members were divided into clear interest groups, basic organisational factors such as membership, management, decision-making, organisational functioning, financial matters and other issues were not jointly decided upon or understood by the members. This led to confusion over and inequity of land rights and use. Some large enterprise groups (e.g. the poultry, handicraft and vegetable groups) have comparatively small demands for land and thus perceive that the more extensive enterprise groups (e.g. livestock and cash crops) are “farming on their land”. As the legal framework for setting-up the Trust is unclear in terms of membership, resource allocation and profit sharing, organisational conflicts are difficult to resolve.

This uncertainty about the status and role of members has promoted negative perceptions and a lack of participation in activities: in general, meetings are attended by less than 30% of the members. This confusion has also led to very different rates of progress for the groups (Figure 2). The cash crops made the most progress in the first year, managing to get sufficient credit to get a profitable crop into the ground. Other groups, particularly those that rely on infrastructural development to achieve their objectives (e.g. construction of a dairy or bakery), have achieved much less.

Although all the enterprise groups could identify perceived benefits from organising themselves into groups (such as increased access to markets, availability of training, veterinary support, and provision of equipment), their own analysis showed the many constraints that they face. These constraints include lack of skills in financial management, lack of technical know-how, and lack of capacity in organisational management, and are

compounded by the complex and ambiguous structure of the KFT and the groups' lack of experience about where to go for information or who to seek to provide support. Enterprise groups that are still 'waiting for action' have become increasingly frustrated and disillusioned by the land reform process. They have come to realise that, by itself, land acquisition does not constitute a livelihood.



There is clearly a need for the public sector organisations supporting the process to ensure that real capacity is built, resulting in people and organisational empowerment. Cousins (1995) states that effective natural resource management and appropriate technologies are closely linked with the design of common property regimes that are based on the common aspirations of the members and what can be sustained by the resource base. He provides a checklist of factors to be taken into account in the design of sustainable common property regimes. Three of his four categories relate to the user group and its use and management of the resource base, emphasising the importance of getting social organisation right.

The Communal Property Association Act (1996) means that disadvantaged communities can establish an appropriate legal institution through which to acquire, hold and manage property communally. The act requires that CPA is developed by the proposed beneficiaries through a participatory process to form a non-discriminatory, equitable and democratic organisation accountable to its members.

The KFT was never formed into a Communal Property Association in accordance with the act. Although it can be argued that it is difficult to sustain a communal farming business within an environment tending towards a free market, the CPA does ensure (through outside professional facilitation) that the members are involved in the process and have an individual, as well as collective understanding of their rights and responsibilities both in terms of ownership and utilisation of the land, and other resources. For example, experiences with another land redistribution project in the Delmas District, Mpumalanga Province, where the beneficiaries were taken through a lengthy participatory process of over a year in developing a CPA, has resulted in them being more prepared and hence empowered in the redistribution process. However, the real test of an organisation and its members occurs once they occupy the farm and begin farming.

As a result of problems similar to those experienced at KFT at a number of land reform sites, the DLA and DoA are trying to better understand the implications of CPAs and develop the capacity to support large groups of farmers. They are also encouraging part loan finance from banks, equity schemes with commercial farmers and more intense forms of agriculture. Although private land ownership is encouraged by the DLA, it is the small size of the land acquisition grant that has encouraged farmers to come together in large groups. The apparent contradiction between the size of the land acquisition grant and the sustainability of livelihoods created by the land reform process is yet to be resolved.

## Effective natural resource management

There is no effective natural resource management plan among the members of the KFT. This was evident through the tensions that arose over the distribution of resources among the enterprise groups. This had its origins in neglect by DLA in the planning process before the land was transferred to KFT. Since then, the DoA has attempted to develop a business plan for the farm. This was not an open participatory process with the members of KFT, but rather a business plan that focussed on financial and economic considerations, using the traditional norms and standards developed for large-scale commercial agriculture in the province. Land conservation practices in South Africa have traditionally involved the regulatory functions of determining and monitoring stocking rates and soil conservation practices and this has been followed at Kutlwanong. Although these practices can be positive in conserving the natural resource base, they give little consideration to people as part of the farming system and do not allow for any flexibility in different and perhaps more sustainable land use activities.<sup>6</sup>

## Appropriate technologies

As with natural resource management, the issue of appropriate technologies has not been explored. As the farm was once farmed in a large-scale, high input fashion, the assumption was made by the KFT management and service providers alike that this was the best way to use the land. Little consideration has been given to the fact that the land is now owned by 200 farm families, many of whom may prefer to engage actively in the utilisation of the farm, yet who know agriculture as either farm workers or backyard gardeners.

In the above process, the capital assets (Scoones, 1998), including natural, economic, financial, human, social and other resources, of the KFT have never been considered seriously in any of the planning processes. Thus the strengths that the KFT could bring to the process have largely been ignored as the more dominant stakeholders (particularly those that hold the 'purse-strings') have had more influence over the process and have supported a conventional large-scale approach to agriculture.

---

6. The Australian concept of Landcare (see Campbell, 1994) is being introduced in South Africa, but is still in the very early stages.

## The policy setting and support services

Whilst the policy environment in South Africa today is conducive to the creation of sustainable livelihoods, the examples given here show that in practice this is not happening. Why is this the case?

There seem to be a number of factors at work here. Firstly, the necessary process of institutional transformation is inevitably slow, resulting in a disjuncture between policy and practice in institutions under political pressure for delivery. This has often led to the neglect of the more cumbersome and time consuming ‘people’ issues.

Secondly, in South Africa (as elsewhere) there is a strong disciplinary approach amongst government departments. The case of the KFT shows how this rigidity of approach and lack of integration can result in the failure of policies to fulfil their objectives. The objective of the Department of Land Affairs is to transfer land, and the expectation is that other organisations (the service providers, especially the provincial DoA), will ensure the sustainability of the transfer. However, as we have shown here, for land transfer to work, much more is involved than the mere hand-over of land. And without a focus on the part of the service providers on sustainable rural livelihoods, based on what the people have and their environment can offer, the result will be a fragmented, incomplete and uncoordinated support and service to the clients – rural people.

The DLA is responsible for the transfer of land ownership to the beneficiaries, which usually involves a supportive process lasting some 18 months. The support includes initial project facilitation, establishment of a legal entity, economic feasibility and planning, land evaluation and price determination, land transfer and designation. As an early collective land redistribution case, the KFT did not have the opportunity to go through the pre-transfer processes in a participatory and detailed manner. Furthermore, despite the preliminary support process, lack of expertise means this is rarely carried through into the start of the farming, which is when the organisation is really tested. And the DoA, who are expected to take over the support process from DLA, do not recognise the importance, nor have the expertise to continue with, organisational support. As departments struggle with project ‘ownership’, a ‘gap’ in services and support often develops (including support from other government departments).<sup>7</sup>

Thirdly, whilst agricultural policy (including land reform) is intended to alleviate poverty through agriculture and land-based activities, the technocrats and those of the former white commercial sector still view agriculture as a large-scale, high-tech activity based on the developed ‘scientific’ norms and standards, and it is their professional responsibility to uphold them. The result is that service providers force inappropriate technical solutions on land reform beneficiaries, without seeking more creative ways of using the available resources to create sustainable livelihoods. These perceptions amongst both farmers (large and small-scale) and service providers must be recognised and changed.

---

7. In one province a special unit is being established to coordinate support for land reform beneficiaries.



Finally, private sector organisations are driven more by market opportunities than by government policies. Most organisations in agriculture are aligned to and support the commercial sector. They have been slow to move into the developing sector and do so only to gain some political credibility. However, the more progressive organisations are beginning to see the long term future benefits of investing in the developing sector and taking on a greater social responsibility.

## Market opportunities

The deregulation of the controlled markets of agricultural products means that KFT can sell their products where and when they like. There are markets nearby in the towns of Kutlwanong and Odendaalsrus. However, this rapid liberalisation of the agricultural markets has not been easy for producers who in the past operated in an environment of guaranteed markets and prices. This has to some extent produced a buyers' market with dominant agents such as Senwes being able to take advantage of inexperienced producers such as KFT. Marketing skills, knowledge and information are needed in order to take full advantage of this free market, and training and support will be necessary for KFT to develop these skills. The service providers such as the DoA have not yet developed this advisory expertise, which was evident in the absence of planning for marketing the agricultural products in the 1997 Business Plan.

## Conclusions

The onset of the 'new South Africa' with democracy and the focus on people has filled people with hope and confidence to take on new challenges. The new policies provide the framework for people to take up these opportunities, yet the social component in the creation and development of SARLs is repeatedly neglected. Sustainability in South Africa is mostly measured in economic or financial terms. In cost-benefit terms, only the financial components and the short term economic feasibility are considered.

In order for the process of land reform and agrarian change to contribute to rural livelihoods which are based on sustainable agriculture, the major drivers of the process (notably the policy makers and their implementing organisations) need to become more aware of the elements contributing to SARLs. These should be made explicit and dealt with in a conscious and coordinated manner. Support is needed to create communities which are able to adapt and adjust to the continuous changes and dynamic nature of both their internal and external environments.

By providing a basic model of the elements contributing to SARLs, and assessing a South African land reform case study against elements of that model, we hope to have created a starting point for debate amongst the numerous stakeholders in making a success of land reform in promoting a brighter future for all in rural South Africa.

# Acknowledgements

We would like to acknowledge support from the Department for International Development (DFID), the Swiss Agency for Development and Cooperation (SDC) and the Swedish International Development Cooperation Agency (Sida) for the Policies that Work study in the Republic of South Africa, from which this paper is drawn. We thank the International Institute for the Environment and Development, Free State Department of Agriculture and the Rural Strategy Unit for their support and cooperation in the undertaking of this study. We thank Chaka Ntsane, Director: Northern Region, Free State Department of Agriculture for his comments on an earlier draft of this paper. The authors would like to thank Fiona Hinchcliffe for her assistance in developing this paper.

The farmers of the Kutlwanong Farmers Trust are central to this study. We extend our sincere thanks to them, and the agencies that support them, for taking the time to talk to us.

The views and opinions expressed in this paper, and the conclusions reached, are those of the authors and do not necessarily reflect those of any supporting, collaborating or funding organisations.

## References

African National Congress. 1994. Recon-struction and Development Programme: A Policy Framework. Umanyano Publica-tions, Johannesburg.

Campbell, A. 1994. Community first: Landcare in Australia. Gatekeeper Series 42. Sustainable Agriculture Programme, IIED, London.

Carney, D. and Farrington, J. 1996. Institutional Change in the Natural Resource Sector. Rural Resources and Poverty Research Programme: 1993-96. ODI, London.

Chambers, R. 1995. Poverty and livelihoods: whose reality counts? Environment and Urbanization 7(1): 173 - 204.

Cousins, B. 1995. The role for common property institutions in land redistribution programmes in South Africa. Gatekeeper Series 53. Sustainable Agriculture Pro-gramme, IIED, London.

Croxtan, S. 1995. Users in control. Farmer participation in technology research and development. Paper presented at Animal Traction Network for East and Southern Africa Workshop (ATNESA), Karen, Kenya, December 1995.

De Waal, H.O. 1997. Business Plan: Live-stock production systems on Leeubosch. Kutlwanong Farmers Trust (KFT). (Unpublished).

Dikeni, L, Moorehead, R. and Scoones, I. 1995. Land Use and Environment Policy in the Rangelands of South Africa: Case studies from the Free State and Northern Province. Land and Agricultural Policy Centre, Johannesburg.

DPSA. 1995. White Paper for Agriculture.

DPSA., 1996. White Paper For South African Land Reform Policy.

Free State Department of Agriculture., 1996. From Entitlement to Self Reliance: Business Plan 1996-1999. Quali-press, Bloemfontein.

Grimble, R., Chan, M-K., Aglionby, J. and Quan, J. 1995. Trees and trade-offs: A stakeholder approach to natural resource management. Gatekeeper Series 52. Sustainable Agriculture Programme, IIED, London.

Hanekom, D., 1998. Cabinet Paper on Agricultural Sector: Opportunities and Challenges. Paper presented to the Cabinet 20 January 1998. (Unpublished)

Hobley, M. and Shah, K. 1996. What makes a local organisation robust? Evidence from India and Nepal. ODI Natural Resource Perspectives, 11.

Human, P. 1998. Yenza: A blueprint for transformation. Oxford University Press, Oxford.

Scoones, I. 1998. Sustainable Rural Livelihoods: A Framework for Analysis. IDS Working Paper 72. Institute for Development Studies, University of Sussex, Brighton, UK.

Zuma, N.C. 1998. The Role of the Social Sector in Transformation, Human Development, Poverty Reduction and Economic Growth. Unpublished discussion document.